

Assembly Bill No. 834

CHAPTER 176

An act to amend Section 94878 of, and to add Section 94910.5 to, the Education Code, relating to private postsecondary education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 23, 2014. Filed with
Secretary of State July 23, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 834, Williams. Private postsecondary education: School Performance Fact Sheets.

Existing law, the California Private Postsecondary Education Act of 2009, provides, among other things, for regulatory oversight of private postsecondary schools in the state. The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs. The act exempts specified institutions, including certain law schools, from all, or a portion, of its provisions. The act requires an institution to provide a prospective student prior to enrollment with a School Performance Fact Sheet, which is required to contain specified information relating to the educational program. The act requires an institution that maintains an Internet Web site to provide, on that Internet Web site, specified information, including a School Performance Fact Sheet for each educational program offered by the institution.

The act authorizes an institution exempt from all or part of the act pursuant to specified provisions to apply to the bureau for an approval to operate subject to the act, as specified. The act requires these institutions to provide to prospective students the School Performance Fact Sheet, to file that fact sheet with the bureau, and to post it on the institution's Internet Web site no later than the first August 1 after the institution is approved to operate and no later than August 1 of each year thereafter.

This bill would provide a law school otherwise exempt from the act that applies to the bureau for an approval to operate subject to the act and that meets other specified criteria with an alternate way to satisfy the requirements of the act regarding a School Performance Fact Sheet. Specifically, by complying with a specified standard of the American Bar Association relating to the disclosure of consumer information, by providing completion rates of students and placement rates, bar passage rates, and salary and wage information of graduates to prospective students prior to enrollment through the law school application process administered by the Law School Admission Council, and by providing to prospective students, at a minimum on its Internet Web site, any additional information required to be reported on a School Performance Fact Sheet, such a law school would

satisfy those requirements. The bill would require such a law school to annually provide the information to the bureau and would require the bureau to include the information on its Internet Web site.

This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 94878 of the Education Code is amended to read:

94878. (a) On or before June 30, 2010, the bureau shall establish an Internet Web site that includes at least all of the following information:

(1) An explanation of the bureau's transition plan for the reconstituted bureau and an explanation of the bureau's scope of authority.

(2) (A) A directory of approved institutions, and a link, if feasible, to the Internet Web site of each institution.

(B) For each institution, the directory shall be developed in a manner that allows the user to search by institution and shall include all of the following information:

(i) The status of the institution's approval to operate.

(ii) The information provided by the institutions including, but not limited to, the annual report, as required by Section 94934, including the school catalog and the School Performance Fact Sheet. The School Performance Fact Sheet shall be maintained on the directory for at least five years after the date of its submission to the bureau.

(iii) If a law school satisfies the requirements of this chapter regarding a School Performance Fact Sheet by complying with the requirements of Section 94910.5, the bureau shall include the information provided by the institution pursuant to Section 94910.5 on its Internet Web site and shall maintain the information in the same manner as required by clause (ii).

(iv) The disciplinary history of the institution, which shall include, but shall not be limited to, all of the following:

(I) Pending formal accusations filed by the bureau.

(II) Suspensions, revocations, citations, fines, infractions, probations, pending litigation filed by the bureau, and final judgments resulting from litigation filed by the bureau.

(III) Pending or final criminal cases filed by the Attorney General, a city attorney, a district attorney, or a federal law enforcement official, of which the bureau has received notice.

(IV) Final administrative actions by the United State Department of Education, including orders requiring restitution to students.

(V) Final disciplinary actions by an accreditation agency, of which the bureau has received notice pursuant to Section 94934.

(b) The bureau shall maintain the Internet Web site described in subdivision (a). The bureau shall ensure that the information specified in subdivision (a) is kept current. The bureau shall update the Internet Web

site at least annually, to coincide with the submission of annual reports by the institutions pursuant to Section 94934.

(c) In addition to maintaining the Internet Web site described in subdivision (a), the bureau shall provide the information described in paragraph (2) of subdivision (a) to the California Postsecondary Education Commission (CPEC), and the CPEC shall include that information in an Internet Web site directory of school performance data maintained by the CPEC. To the extent possible, the bureau shall provide this information consistent with the information collected for reporting to the Integrated Postsecondary Education Data System of the United States Department of Education, including institutional characteristics, completion, annual enrollment, and graduation rates.

SEC. 2. Section 94910.5 is added to the Education Code, to read:

94910.5. (a) Notwithstanding any other law, a law school that meets the criteria of subdivision (b) shall be deemed to satisfy the requirements of this chapter regarding a School Performance Fact Sheet by doing all of the following:

(1) Complying with Standard 509 of the American Bar Association's Standards and Rules of Procedure for Approval of Law Schools, as that standard may be amended.

(2) Providing completion rates of students and placement rates, bar passage rates, and salary and wage information of graduates to prospective students prior to enrollment through the law school application process administered by the Law School Admission Council.

(3) (A) Providing to prospective students any additional information required to be reported on a School Performance Fact Sheet that is not reported pursuant to paragraphs (1) and (2), including, but not limited to, the most recent three-year cohort default rate reported by the United States Department of Education for the law school and the percentage of enrolled students receiving federal student loans.

(B) If the law school's three-year cohort default rate reported by the United States Department of Education is aggregated with the three-year cohort default rate of an institution to which the law school belongs, then the law school shall provide to prospective students the law school's three-year cohort default rate disaggregated from the institution's three-year cohort default rate.

(C) The law school shall, at a minimum, provide the information described in this paragraph to prospective students by clearly posting the information in a conspicuous location on the law school's Internet Web site.

(4) Annually providing the information required to be disclosed pursuant to this subdivision to the bureau.

(b) Subdivision (a) shall apply to a law school that meets all of the following criteria:

(1) The law school is accredited by the Council of the Section of Legal Education and Admissions to the Bar of the American Bar Association.

(2) The law school is owned by an institution authorized to operate by the bureau.

(3) The law school reports graduate salary information and other information to the National Association for Law Placement.

(4) The law school is approved to operate by the bureau pursuant to Section 94874.8.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide a law school with an alternate way to satisfy the requirements of the California Private Postsecondary Act of 2009 regarding a School Performance Fact Sheet as soon as possible, it is necessary that this act take immediate effect.